



TECHNET
THE VOICE OF THE
INNOVATION ECONOMY

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February 9, 2021

The Honorable Roger Hauck
State Representative
Anderson House Office Building
S-1288 House Office Building
Lansing, MI 48933

Re: HB 4015, a bill relating to third party websites

Dear Chairman Hauck:

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. Our diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over three million employees and countless customers in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, cybersecurity, venture capital, and finance.

I am writing to you today to express our opposition to HB 4015 (Lightner). We acknowledge what the sponsor is trying to accomplish by adding transparency in online services related to government functions by requiring “conspicuous notifications” of a site’s relationship or lack thereof with the government. However, we believe it may have unintended consequences.

Section 3m is overly broad because there are no clear boundaries around the scope of covered “online services.” For instance, government agencies offer online services that may include providing voting, public health, disaster relief, and active shooter information. In some situations, businesses may also provide this same information to the public (e.g., in response to a natural disaster or active shooter). However, as drafted, it’s unclear if providing this information triggers this provision.

Throughout this pandemic, many of our member companies have been committed to sharing timely and accurate information on the coronavirus with the public; much of this information may have been derived from state agencies or state departments. Constituents come to these sites and applications because it is often well laid out and easy to consume. By requiring these businesses to place a compliance regime on their platforms, it may force many platforms to shut off these

online services to constituents. This legislation may also unintentionally affect businesses that *are* affiliated or under contract to perform online services for the state.

We acknowledge there may be bad actors that are profiting by deceptively providing online services that are otherwise available from government agencies. If the goal of this legislation is to address those bad actors, we believe this can be achieved by amending the bill to apply to those who may cause actual harm. For example, apply the bill to a commercial website which appears to provide **paid** governmental services but are unaffiliated with the state (e.g., a malicious website posing as the DMV). A misleading website where a payment may be processed is much different than an online service that offers free information on disaster relief.

By imposing a vague, compliance obligation on broad industry sectors, this legislation would have a chilling effect on upstarts, non-profits, and businesses alike. Furthermore, these regulatory regimes may run the risk of some online services being turned off. By providing information our member companies are alleviating government websites by providing effective ancillary services to Michiganders. We believe there is a way to amend this bill to better address its original impetus and we stand ready to work with the sponsor to achieve that goal.

If you have any questions regarding TechNet's opposition to this measure, please do not hesitate to contact me at 630-400-3439 or tdiers@technet.org.

Sincerely,



Tyler Diers
Executive Director, Midwest
TechNet

Cc: Representatives Lightner, Hoitenga, and Hertel